

1 MR. COHEN: Your Honor, the reason that I, I had
2 raised this earlier was right after Jane Duff testified, I
3 asked, if you'll recall, I asked that this document be
4 admitted and then the Bureau said they were going to do it at
5 a later time. And, unfortunately, Mrs. Duff isn't here and
6 it's been a few days ago, but Mrs. Duff testified at length
7 about this document and there is no requirement that the
8 witness -- that is the declarant, Alfred Roever, be here for
9 this document to be admitted. This document is admissible as
10 an admission. And if it's an admission, Your Honor --

11 JUDGE CHACHKIN: How could it be an admission? As
12 far as I know, Al Roever is not a principle employee of
13 Trinity, so how could it be an admission.

14 MR. COHEN: It's an -- it could be an admission,
15 Your Honor, because there of -- there are facts in here which
16 Mrs. Duff testified about which, which could be construed as
17 being unfavorable to the, to the position that Trinity and
18 NMTV is, is espousing in this proceeding. And that would
19 certainly then be -- could be, could be an admission.

20 JUDGE CHACHKIN: I don't understand you. What did
21 Ms. Duff testify to that -- where you draw that conclusion?

22 MR. COHEN: She testified all about the, the, the
23 visit, who came to, to Tustin, and her discussions with --
24 concern --

25 JUDGE CHACHKIN: I believe her testimony was

1 consistent with Dr. Crouch, that her only dealings were with
2 Al Rover's (sic) -- Al Roever's brother. That's my
3 recollection. She didn't subscribe to anything in this
4 declaration, as far as I know.

5 (End of tape two, start of tape three.)

6 MR. COHEN: Well, my, my recollection is different,
7 Your Honor, but --

8 JUDGE CHACHKIN: Well, what's your recollection.

9 MR. COHEN: Well, I -- I --

10 JUDGE CHACHKIN: What did she agree with here?

11 MR. COHEN: I, I, I must say I don't want to make a
12 representation. I, I'm not -- I'm not as -- I was clear on it
13 at the time and I'm not clear now, and, and I, I -- that's my
14 --

15 JUDGE CHACHKIN: But if she, she had --

16 MR. COHEN: -- my fault for not, for not raising
17 this, arguing this at the time, because then I -- when she
18 testified, it was very clear in my mind, but it isn't clear
19 now and I should have raised -- I should have insisted it be
20 considered and I didn't.

21 JUDGE CHACHKIN: In fact, the document doesn't even
22 mention that Mr. Roever had any dealings at all with Ms. Duff.
23 The document strictly speaks about dealings with Reverend
24 Crouch.

25 MR. COHEN: And that's why when, when she testified,

1 | it was clear to me that she had adopted part of the document
2 | and she quer-- queried about it, but, I repeat, I don't have
3 | this clear in my mind now and I don't have a transcript, so I
4 | can't --

5 | JUDGE CHACHKIN: I don't believe she, she in any way
6 | endorsed this document. I think her testimony was, I think
7 | Mr. Topel solicited to the fact that the application itself
8 | appeared to be -- have been signed outside of California.

9 | MR. TOPEL: Signed on a different date.

10 | JUDGE CHACHKIN: And different dates than indicated
11 | here. Clearly, if, if you want Mr. Roever's testimony, it's
12 | going to be received to the truth of the matters therein, then
13 | Mr. Roever obviously has to testify.

14 | MR. TOPEL: Thank you, Your Honor.

15 | JUDGE CHACHKIN: So if it's being offered for the
16 | truth, and I gather that's what it's being offered for?

17 | MR. SHOOK: Yes, Your Honor.

18 | JUDGE CHACHKIN: Then I have no choice but to reject
19 | the exhibit without Mr. Roever's testimony. I, I would also
20 | point out, however, that there have been references by
21 | Ms. Duff and, and Reverend Crouch to this document, and all
22 | such doc-- all such references are also relevant in light of
23 | the fact that we don't have the declaration in. Don't seem to
24 | -- it wouldn't make any sense, and so -- also they -- are also
25 | excluded any references to this document, the events set forth

1 in the document would also be irrelevant in light of the fact
2 that Mr. Roever's declaration is not coming in.

3 MR. TOPEL: Your Honor -- we understand that, Your
4 Honor.

5 JUDGE CHACHKIN: All right. Mass Media Exhibit 414
6 is rejected.

7 (Whereupon, the document marked as
8 Mass Media Exhibit 414 was rejected
9 from receipt into evidence.)

10 JUDGE CHACHKIN: I understand you're not bringing
11 Mr. Roever here?

12 MR. SHOOK: We have no present plans to do so, Your
13 Honor.

14 JUDGE CHACHKIN: All right. All right. I've
15 rejected the exhibit.

16 MR. SHOOK: There is one other matter to cover and
17 then we're finished.

18 JUDGE CHACHKIN: All right.

19 MR. SHOOK: If you recall, Dr. Crouch, we've had a
20 number of questions and answers dealing with your wife's being
21 made a member of the board and continuing as a member of the
22 board of Trinity Broadcasting Network and other related
23 corporations, and I want to read to you a portion of her --
24 your wife's deposition. And this is for purposes of trying to
25 help your recollection. This is, you know, I, I can't -- I'm

1 not intending to use this for impeachment as such because
2 Janice Crouch is not here and this is not your testimony, this
3 is hers. This is simply for purposes of trying to help you
4 remember why it is that your wife was made a member of the
5 board. Question -- this begins on page 22, it's Janice
6 Crouch's deposition and it was taken on Wednesday,
7 September 22, 1993, in Santa Ana, California, and I'm reading
8 from page 22, line 21. Question: "Okay, that's fine; now I
9 believe in response to Mr. Cohen's questions, and you can
10 correct me if I'm mischaracterizing something here, there did
11 come a time when you became the director of Trinity
12 Broadcasting Network." Answer: "A board member?" Question:
13 "Yes, ma'am." Answer: "Yes, sir." Question: "Can you tell
14 us how that came about, and if you need some help in terms of
15 fixing the time period, the records that I have seen reflect
16 that it occurred sometime in the year 1984." Answer: "All I
17 know is I was simply elected to the board." Question: "You
18 don't recall having a discussion prior to that election with
19 anyone about becoming a board member and then what that might
20 entail?" Answer: "Not really." Question: "Has it been
21 discussed with you, at any time, what your responsibilities
22 may be as a member of the board." Answer: "Not really." Now
23 my questions -- my question to you is did you have any
24 discussion with your wife prior to the time she became a
25 member of the board, to go over with her why it is that she is

1 going to be -- become a member of the board, and when she,
2 when she so becomes a member of the board, what she's supposed
3 to do?

4 DR. CROUCH: I, I am generally aware, Mr. Shook,
5 that I impressed upon her the desirability of her becoming a
6 member of the board of directors for the reasons that I have
7 stated a number of times in this proceeding, that -- that this
8 would give her some security, as far as the law allows in the
9 non-profit context, to become one of the owners. We had
10 given, at this time, 10 or 11 years of, of our lives to this
11 work, and it's very apparent that we were going to continue in
12 this work for some time and make this, in essence, our -- our
13 life career, and we'd also had some very real trials and
14 tribulations in the early formulating stages of, of Trinity.
15 If you'll finish reading my book, sir, you'll find out what
16 many of those were. There had been some unfriendly takeover
17 attempts that we had resisted and been successful in, in
18 thwarting. I, I certainly believe that, that I expressed to
19 her and conveyed to her the, the desirability of her being a
20 member of that board for those reasons. And then, of course,
21 as I said earlier, if anything should ever happen to me, she
22 would be the logical per-- person to see that Trinity
23 continued in its, in its mission and its goal. She was the
24 other person that was the most visible on the network and, and
25 would have been that logical person to ensure continuity in

1 the on-going work in ministry in Trinity. I, I'm certain I, I
2 expressed those purposes and reasons to her, at the time. You
3 know, ten years ago or nine years ago or so, I -- it, it's
4 difficult for me, I couldn't, you know, write you a script on
5 exactly what was, what was said, but those certainly were the,
6 the overriding reasons in my mind that I am most certain I
7 conveyed to her and made her aware of.

8 JUDGE CHACHKIN: But that doesn't necessarily in
9 conflict with what your wife said, the fact that you didn't
10 explain to her what she would be doing on the board and what
11 her role would be on the board in terms of what her
12 responsibilities were. You, you have indicated the reason is
13 the security that you wanted her on the board, but the
14 question is what information did you convey to her concerning
15 what her duties and responsibilities would be as a board
16 member? That's -- what she claims, that she had very little
17 knowledge of what she would be doing on the board.

18 DR. CROUCH: A very fair question, Your Honor. I --
19 whether I got terribly explicit with her in, in regard to what
20 her duties would be, I don't, I don't think I felt that
21 necessary. Her duties were already pretty well set. She was
22 already editing the newsletter and, you know, acting in, in a
23 programming capacity, and, and doing the, the set designing
24 and decorating. In other words, her, her duties, I think in
25 my mind as well as in her mind, wouldn't really change all

1 that much. She would continue doing very much the same things
2 that she was doing, but simply in a more official capacity as
3 an actual voting member of the board.

4 JUDGE CHACHKIN: So you're -- you don't take issue
5 with your wife's statement as to what she was told by you
6 about her responsibilities?

7 DR. CROUCH: No, sir. I, I'm sure she was giving
8 you the best of her memory and recollection.

9 MR. SHOOK: We have no further questions, Your
10 Honor.

11 JUDGE CHACHKIN: Any further cross-examination?

12 MR. McCURDY: Yes.

13 JUDGE CHACHKIN: Go ahead.

14 MR. COHEN: Your Honor, are you going to take a
15 morning recess?

16 JUDGE CHACHKIN: Yes, we'll take it now.

17 MR. McCURDY: Thank you.

18 MR. COHEN: Yes, thank you.

19 (Whereupon, a brief recess was taken from 10:57 a.m.
20 until 11:09 a.m.)

21 JUDGE CHACHKIN: All right. Let's, let's get back
22 on the record, and you have some cross-examination?

23 MR. McCURDY: Yes.

24 BY MR. McCURDY:

25 Q Mr. Crouch, would you describe your duties and

1 responsibilities as a director of National Minority
2 Television, as you see them?

3 A I'll, I'll do my best.

4 Q Okay.

5 A I am the president and the CEO of that corporation.
6 I have attended, I think, virtually all of the, the meetings,
7 giving my best input and experience to, to help this
8 organization become a viable entity. In the general routine
9 of things, I typically only get involved in the larger
10 decisions, the, the major board decisions. In the day to day
11 operations, as I think the record clearly shows, Mrs. Duff is
12 generally in charge, but I do get involved typically in the
13 engineering and the technical areas because I've had more of a
14 background in that area than, than Mrs. Duff. Beyond that, I
15 can only say that I do my best to give NMTV the best
16 experience and guidance and knowledge that I possess in the
17 broadcasting field, to, to help it become a viable entity.

18 Q Okay. Well, as president, would you say that your
19 are ultimately re-- responsible for what NMTV does and doesn't
20 do?

21 A I certainly have some influence in that, but
22 regarding what NMTV ultimately does or does not do in a major
23 sense is, is certainly controlled by its board of directors.

24 Q Okay. And now you just described essentially your
25 officer duties. Could you explain what you see your

1 responsibilities as a director?

2 A In make -- a director typically is involved in
3 making the, the major and most important decisions of the
4 corporation.

5 Q And do you see your duties as owing a, you know, a
6 fiscal responsibility to taking care of the corporate assets?

7 A Oh, in a -- especially in the non-profit context,
8 sir, the fiduciary responsibilities of all the directors are
9 very well known and very important.

10 Q And that's something -- okay. And that's something
11 you believe is important?

12 A Indeed.

13 Q Okay. Could you turn to page 16 of your statement.
14 That's Exhibit 104.

15 A Yes, sir. I'm there.

16 Q Okay. Now in this paragraph, you say that TBN's
17 relationship to NMTV was informal and donative, because you
18 understood that the FCC wanted us to be sponsoring
19 organization to help the minority company succeed. Is that
20 your understanding?

21 A Are -- are you referencing --

22 Q Okay.

23 A -- an actual statement here?

24 Q Yes. I was characterizing your -- but if you look
25 at the second -- second sentence in paragraph 32.

1 A I'm sorry, I'm not in the same book I don't think.
2 I'm on page 16, but my heading is 20 -- or my paragraph is 21.

3 Q Okay.

4 JUDGE CHACHKIN: No, no. This is -- we're looking
5 at --

6 MR. TOPEL: -- volume two.

7 JUDGE CHACHKIN: -- TBF Exhibit 104, page 16.

8 MR. McCURDY: That's Volume 2B.

9 MR. TOPEL: There is -- there is several exhibits in
10 this volume. The witness is on the wrong one.

11 JUDGE CHACHKIN: Oh, I'm sorry.

12 MR. McCURDY: Okay.

13 MR. TOPEL: -- the wrong tabs.

14 JUDGE CHACHKIN: All right. The witness has the
15 paragraph 32, Mr. McCurdy.

16 BY MR. McCURDY:

17 Q All right. If you'll familiar -- look at the first
18 several sentences there, paragraph 32.

19 A Yes, sir. I've generally reviewed that.

20 Q Okay. Now would you agree that under a straight
21 business approach, it would be prudent to have a formal note
22 repayment schedule, security for advances, and an agreement
23 governing costs for administrative services?

24 A If you were talking in the world of for profit,
25 straight business, hard-line approach, yes, sir.

1 Q Okay. How about a non-profit that you are not
2 affiliated with?

3 A It's a different world. You'd have to have grown up
4 in the church, in the area of non-profits, where our whole
5 purpose for living, for existing is to help others, to give to
6 others, to donate to others --

7 Q Okay. But you did --

8 MR. TOPEL: Excuse me.

9 DR. CROUCH: -- to make their life better.

10 MR. McCURDY: I'm sorry.

11 MR. TOPEL: The witness hasn't finished his answer.

12 BY MR. McCURDY:

13 Q Okay. Are you finished? I'm sorry.

14 A I'm, I'm finished, yes, sir.

15 Q Okay. But, for example, with All American, there
16 was a note drawn up, correct, for repayment, when you lent
17 them money for the --

18 A In, in some cases, there was, yes.

19 Q Okay. But my question is, though, in a business --
20 in a standard business arrangement, it's prudent to have these
21 things. Could you just tell me why it's not prudent between
22 NMTV and TBN to have these arrangements? Or it is not pru --
23 prudent to have these?

24 A It's a judgment call. I think if you're trying to
25 distinguish the difference as to why on the one hand we did

1 have the, the note with AATV as opposed to, to NMTV, you'll
2 recall I, I do not serve in any capacity in the board or
3 officership of NMTV, so I really was not privy to what was
4 going on to that corporation.

5 JUDGE CHACHKIN: No, you don't mean NMTV, you mean
6 some -- the other corporation, don't you?

7 DR. CROUCH: I'm talking about AATV, sir. Yes, I'm
8 sorry. Thank you. I was not on the board of AATV or involved
9 in their business affairs or relationship at all. At least
10 with the NMTV, I was a member of the board, I was able to
11 attend board meetings, I, I knew about the internal operation
12 and, and workings, and what was going on, so I had a much
13 higher level of confidence as to the fact that the business
14 affairs were being run well, were being looked after properly,
15 so I think there is the distinguishing factor. I didn't feel
16 quite the obligation on the part of NMTV to formalize these
17 notes. It, it was, it was donative really on both cases, AATV
18 or NMTV, but at least on NMTV I was on the inside, I could see
19 what was going on, I knew it was being run right, I knew that
20 decisions that -- were being made correctly, so for better or
21 worse, there's, there's the distinguishing factor in my mind.

22 BY MR. MCCURDY:

23 Q Okay. But TBN could have maintained a donative
24 intent towards National Minority, while maintaining a normal
25 straight business relationship, couldn't it?

1 A I suppose it could have.

2 Q And now you testified that National Minority was
3 created in -- created, in part, to provide minorities with an
4 opportunity for ownership and training in the broadcast
5 industry. Is that --

6 A Yes, sir.

7 Q -- fair to say?

8 A Yes, sir.

9 Q Okay. Now wouldn't a formal corporate structure aid
10 in that training?

11 A I'm not sure. In what way?

12 Q Well, wouldn't it -- wouldn't -- okay, you also had
13 mentioned that you saw a time when NMTV would be a separate,
14 independent corporation, correct?

15 A Yes, sir.

16 Q And wouldn't -- when it is a separate corporation,
17 wouldn't it have to form its own business agreements with
18 other corporations to provide services for it?

19 A I, I would certainly hope not. I, I think if it
20 finally reached a viable position, which it's about there now,
21 it wouldn't have to have those kinds of services, it would do
22 them on its own.

23 Q Okay. If it would do them -- my question is,
24 though, wouldn't having a formal relationship with TBN aid
25 National Minority TV in becoming independent, because it would

1 have experienced dealing with establishing -- I mean would
2 have experienced -- have some experience in providing its own
3 services or at least contracting with someone independent to
4 provide those services?

5 A I, I think we saw the beginnings of those stages
6 with the business services agreement that was entered into,
7 and as time progress here, I think we will see more of that.

8 JUDGE CHACHKIN: So your answer is, yes? Or what is
9 it? I mean there was a specific question asked and you
10 haven't answered it.

11 DR. CROUCH: All right. I'm sorry, sir. What was
12 the specific question again, then?

13 BY MR. McCURDY:

14 Q The question is wouldn't having a more formal
15 business relationship with TBN aided National Minority TV in
16 becoming independent?

17 A I don't, I don't think so.

18 Q Okay. But you just said as NMTV was becoming more
19 independent, they did start to establish these business
20 arrangements, correct?

21 A Yes.

22 Q And then what was the reason for doing that?

23 A So that Trinity could now be compensated in some
24 manner for the services that it was rendering, since NMTV was
25 finally growing to the point where it could afford that.

1 Q Okay. And did these services -- and it's important
2 for N-- NMTV's independence to have these services, correct?
3 To contract for these services or have some means of providing
4 them.

5 A I don't think it has a thing to do with its
6 independence. Its independence is granted to it by its board
7 of directors.

8 Q Okay. And so the, the business relationship it, it
9 shares with another entity is not important for its
10 independence?

11 A It could have gotten those services from entity XYZ
12 over here, it's just that Trinity was the sponsoring
13 corporation and gave it the best deal it could possibly get.

14 Q But my question is are these arrangements for
15 business services important for NMTV's independence, in your
16 mind, in your view?

17 A No. They're important to help it survive in its
18 early stages of development. Its independence has nothing to
19 do with that, in my opinion, sir.

20 Q Okay. Could we move on to -- let's see, I believe
21 you testified to your understanding of the term owned and
22 operated earlier, and you said that a corporation was owned
23 and operated by TBN when the majority of the board of
24 directors of the corporation consisted of individuals who are
25 also members of the board of directors of TBN, correct?

1 A That was loosely our definition, I think, yes, sir.

2 Q Do you have a tighter definition?

3 A Well, it was completely owned and operated if the
4 board of directors were identical to the board of Trinity
5 Broadcasting.

6 Q Okay. Now but you would consider, say, TBF --
7 Trinity of Florida an owned and operated station, correct?

8 A Yes.

9 Q And they have, I believe, just two common directors
10 with TBN, correct? And one outside director, or maybe even --

11 A Not now. I think --

12 Q Not now, okay. What is it now, do you know?

13 A I think the board of Trinity of Florida is now
14 identical to the board of Trinity Broadcasting Network.

15 Q Okay. Well, there -- let's say New York now has
16 some -- has how many independent directors?

17 A One other separate independent director.

18 Q Okay. Now do you make a distinction between New
19 York and Florida for purposes of your definition of owned and
20 operated stations?

21 A Not really, because I would consider the grouping of
22 12 TV stations, as permitted under FCC rules, to be the owned
23 and operated stations as long as a majority of the board of
24 each is a majority of the board of Trinity.

25 Q Okay. Now using your desh-- definition, National

1 Minority was an owned and operated TBN corporation for at
2 least the first several years of its, of its existence,
3 correct?

4 A Up until the time Mrs. Duff resigned from Trinity
5 Broadcasting, I -- yes, I would have to stipulate that that
6 was the case.

7 Q Okay. With this in mind, could you turn to Bureau
8 Exhibit Number 17.

9 A In Volume One?

10 Q Yes, Volume One.

11 A Yes, sir. I'm there.

12 Q Okay. Now this is an application filed on
13 November 21st, 1980, for a low-power station on -- I was just
14 looking for the name. I believe it's Cresline, yes, Channel
15 47 to serve Cresline. Could you turn to page six.

16 A Yes, sir. I'm there.

17 Q And could you read question seven?

18 A It says: applicant in Trinity Broadcasting Network
19 share three common officers and directors.

20 Q Okay. Could you read the question now, please?

21 A Is applicant corporation directly or indirectly
22 controlled by another corporation or legal entity?

23 Q Now this is a translator application, correct? And
24 it was filed in 1980. And how did you answer -- how was that
25 question answered?

1 A The box checked is no.

2 Q Now according to your understanding now, was that
3 box marked incorrectly?

4 A I don't believe so.

5 Q Okay. You testified a second ago, though, that
6 National Minority or Translator Television, Inc., at this
7 period was an owned and operated TBN affiliate, correct?

8 A Yes.

9 Q Now isn't this question asking whether Translator
10 Television, Inc., was directly or indirectly controlled by
11 another corporation or legal entity?

12 A Are we compelled to believe that those common
13 directors cannot function independently --

14 Q Well, I'm asking you --

15 A -- in the context of the different corporations.

16 Q I'm asking you what your understanding is.

17 A My understanding is that that box is checked
18 correctly, and that even though the sharing of the three
19 common directors was a fact at that time, that still doesn't
20 compel me to believe that those in -- those board members
21 could not act in the best interest of each individual
22 corporation.

23 Q Even though you understood, at that time, that it
24 was -- that this affiliate was a -- or that Translator
25 Television, Inc., was an owned and operated TBF (sic)

1 corporation?

2 A In this time frame, sir, we weren't sure what this
3 corporation was or was even going to be.

4 Q Well, that -- I believe, at this time frame, you
5 knew it was going to be applying for low-power television
6 sites, correct? With the FCC and the lottery.

7 A Yes, sir.

8 Q So you did know what it was formed to do, and this
9 is, in fact, what it's doing, correct?

10 A I don't think there was any lottery bank at this
11 time frame.

12 Q Okay. I stand corrected. I'm not sure on that.
13 But my question is now what is, what is your understanding of
14 control that is different than the -- your definition of
15 control that you just gave us concerning the owned and
16 operated corporations?

17 A I --

18 MR. TOPEL: Your Honor, I object. I'm not sure the
19 witness gave a definition of control for owned and operated
20 stations, and my objection would be there is no predicate. I
21 think the question was how did he define owned and operated
22 stations.

23 MR. McCURDY: I'll rephrase it -- I'll rephrase the
24 question.

25 JUDGE CHACHKIN: If you want to.

1 BY MR. McCURDY:

2 Q Could you define -- how are you defining controlled
3 in this context different than an owned and operated station?

4 A Control is simply self-evident. It is controlled by
5 its board of directors.

6 Q Okay. And how did you arrive at this understanding,
7 that this is what the FCC considered control?

8 A I don't know. I -- your, your question is, is, is
9 not clear to me, sir.

10 Q Okay. How did you arrive at your understanding of
11 control as used in this answer of the FCC application? Were
12 you informed by counsel?

13 A I don't think I am agreeing that it is in a
14 controlled position. We're simply stating the simple fact
15 that it shares three common officers and directors. I don't
16 see anything about control.

17 Q Well, the question asks whether it was controlled by
18 another corporation or legal entity, correct?

19 A And we've answered that question no.

20 Q Yes. And what I'm trying to understand is where
21 your understanding of control came from in answering this
22 question.

23 A I believe then, as I believe now, that the fact that
24 there are three common officers and directors does not compel
25 us to believe that that is control. And I --

1 JUDGE CHACHKIN: What is the basis of your
2 definition of control?

3 DR. CROUCH: The definition of control, Your Honor,
4 is the legally empowered directors of that corporation, that
5 control is vested in them.

6 JUDGE CHACHKIN: And if you have a situation where
7 you have the majority of the office -- of the directors of one
8 corporation are the same as the majority of directors of
9 another corporation, is there not common control?

10 DR. CROUCH: I suppose there could be, Your Honor,
11 but I, I would argue that, that those directors can certainly
12 operate independently and separately, and work and make
13 decisions in the best interest of the individual corporation
14 that they are presently involved with.

15 JUDGE CHACHKIN: But as far as legal control is
16 concerned, isn't that legal control when you have the same
17 directors of one corporations are the directors of another
18 corporation?

19 DR. CROUCH: Sir, that's a legal question that I
20 just may not be qualified to answer. I --

21 JUDGE CHACHKIN: Well, somebody made this
22 conclusion, reached this conclusion, and you signed it, I
23 believe, whereby you said that this was not a situation where
24 you answered no to the question of whether or not the
25 applicant is directly or indirectly controlled by another

1 corporation or legal entity.

2 DR. CROUCH: I, I see that, sir.

3 JUDGE CHACHKIN: And I want to know what was the
4 basis for your conclusion that, that the answer should not
5 have been yes, rather than no?

6 DR. CROUCH: Simply as I've been trying to state,
7 that I, I believe that those directors, even though they may
8 be the same individuals in this context, do not, on behalf of
9 the one corporation, control the other corporation. They, as
10 individuals, I suppose would be a control party, but -- in
11 other words, my argument is -- and there's a very fine
12 distinction here, I, I recognize that, Your Honor, but -- but
13 we're asking if Trinity Broadcasting controls. No, sir. I
14 maintain that Trinity Broadcasting did not. Although in this
15 time frame, sir, there would have been nothing wrong in
16 Trinity controlling this new little fledgling corporation.
17 They were only applying for low-power stations, which no
18 multiple ownership rule applied to.

19 JUDGE CHACHKIN: Well, they were applying for
20 Translators at the time, were they not, to broadcast Trinity
21 programming?

22 DR. CROUCH: Yes, sir.

23 MR. McCURDY: If TBF of Florida -- this is a
24 hypothet-- hypothetical, had made this application at the same
25 time and you were answering this question of control, would

1 your answer still be marked no?

2 DR. CROUCH: I, I think it would be. See, the, the
3 question here seems to be focusing around does the, the
4 corporation -- the interest of another corporation control
5 this other corporation.

6 MR. McCURDY: Right.

7 DR. CROUCH: And I say the fact that they are the
8 same three common directors does not compel me to believe
9 that, that they do.

10 JUDGE CHACHKIN: You're not contending that Tri --
11 TBF or Trinity of Florida is not controlled by TBN, are you?

12 DR. CROUCH: Again, sir, the individuals may be the
13 same, but quite often the board of Trinity of Florida acts
14 independently of its interest over in Trinity Broadcasting
15 Network. I think to be an honest member of any board, even
16 though you may be serving on different boards, I, I, I believe
17 I certainly can act in the best interest of the corporation on
18 which I am making a decision at the time, without that other
19 corporation necessarily controlling.

20 JUDGE CHACHKIN: But CBS owned stations and the fact
21 that one of their -- the stations they own makes independent
22 decisions, does that change the fact that that station that is
23 owned by CBS is controlled by CBS? The fact that the
24 individual station has been given -- been delegated authority
25 to make decisions for its own station, does that any way

1 | change the fact that the station is still controlled by CBS?

2 | DR. CROUCH: In, in that context, sir, I don't -- I
3 | could argue that that local station is not completely or
4 | totally controlled by CBS.

5 | JUDGE CHACHKIN: So you're saying it's not an owned
6 | and operated station of CBS, which would count to how many
7 | stations CBS can own and operate?

8 | DR. CROUCH: It would certainly count in its quota
9 | of stations, but as far as the individual ownership or the
10 | actual direction of those stations, I think each independent
11 | board acting in session in the interest of that particular
12 | station or entity is the true controlling factor.

13 | JUDGE CHACHKIN: So what you're saying in effect is
14 | Trinity of Florida could have 11 stations in addition to its
15 | own station because it wasn't controlled by TBN, and it
16 | shouldn't be included in TBN's owned and operated stations?
17 | Is that what you're saying? Each one of your --

18 | DR. CROUCH: Oh, no, sir.

19 | JUDGE CHACHKIN: Well, why not? You say it's not
20 | controlled.

21 | DR. CROUCH: Because the difference with National
22 | Minority, sir, was that a majority of the board were not TBN
23 | members.

24 | JUDGE CHACHKIN: That's not true.

25 | DR. CROUCH: Well, in --